

A. Michael Covino (AC 4352)
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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

MERRILL LYNCH BUSINESS	:	
FINANCIAL SERVICES, INC.,	:	Civil Action No. 06-Civ-4802(DMC)
	:	
Plaintiff,	:	
	:	
vs.	:	ARTHUR KUPPERMAN'S ANSWER TO
	:	DEFENDANT JPMORGAN CHASE BANK,
ARTHUR KUPPERMAN, E. ROSS	:	N.A.'S CROSS-CLAIM
BROWNE, PAULETTE KRELMAN,	:	
PGB INTERNATIONAL, LLC, and	:	
JPMORGAN CHASE BANK, N.A.,	:	
	:	
Defendants,	:	
	:	
and	:	
	:	
JOHN DOES (1-10) and	:	
ABC CORPORATIONS (1-10),	:	
	:	
Additional Defendants	:	
on the Crossclaim.	:	

Defendant, Arthur Kupperman, ("Defendant"), by and through his attorneys Budd Larner, P.C., in response to the Counterclaim and Cross-Claim of defendant JPMorgan Chase Bank, N.A. ("Cross-Claim"), states as follows:

Additional Defendants on Crossclaim

1. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in

paragraph 1 of the Cross-Claim.

2. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 2 of the Cross-Claim.

Factual Background

A. The Loan

3. Defendant Kupperman declines to answer the allegations set forth in paragraph 3 of the Cross-Claim and Asserts his Fifth Amendment privilege.

4. Defendant Kupperman declines to answer the allegations set forth in paragraph 4 of the Cross-Claim and Asserts his Fifth Amendment privilege.

5. Defendant Kupperman declines to answer the allegations set forth in paragraph 5 of the Cross-Claim and Asserts his Fifth Amendment privilege.

6. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 6 of the Cross-Claim.

7. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 7 of the Cross-Claim.

8. Defendant Kupperman declines to answer the allegations set forth in paragraph 8 of the Cross-Claim and Asserts his Fifth Amendment privilege.

9. Defendant Kupperman declines to answer the allegations

set forth in paragraph 9 of the Cross-Claim and Asserts his Fifth Amendment privilege.

10. Defendant Kupperman declines to answer the allegations set forth in paragraph 10 of the Cross-Claim and Asserts his Fifth Amendment privilege.

11. Defendant Kupperman declines to answer the allegations set forth in paragraph 11 of the Cross-Claim and Asserts his Fifth Amendment privilege.

12. Defendant Kupperman declines to answer the allegations set forth in paragraph 12 of the Cross-Claim and Asserts his Fifth Amendment privilege.

13. Defendant Kupperman declines to answer the allegations set forth in paragraph 13 of the Cross-Claim and Asserts his Fifth Amendment privilege.

14. Defendant Kupperman declines to answer the allegations set forth in paragraph 14 of the Cross-Claim and Asserts his Fifth Amendment privilege.

15. Defendant Kupperman declines to answer the allegations set forth in paragraph 15 of the Cross-Claim and Asserts his Fifth Amendment privilege.

16. Defendant Kupperman declines to answer the allegations set forth in paragraph 16 of the Cross-Claim and Asserts his Fifth Amendment privilege.

B. The Fraud

17. Defendant Kupperman declines to answer the allegations

set forth in paragraph 17 of the Cross-Claim and Asserts his Fifth Amendment privilege.

18. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 18 of the Cross-Claim.

19. Defendant Kupperman declines to answer the allegations set forth in paragraph 19 of the Cross-Claim and Asserts his Fifth Amendment privilege.

20. Defendant Kupperman declines to answer the allegations set forth in paragraph 20 of the Cross-Claim and Asserts his Fifth Amendment privilege.

21. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 21 of the Cross-Claim.

22. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 22 of the Cross-Claim.

23. Defendant Kupperman declines to answer the allegations set forth in paragraph 23 of the Cross-Claim and Asserts his Fifth Amendment privilege.

24. Defendant Kupperman declines to answer the allegations set forth in paragraph 24 of the Cross-Claim and Asserts his Fifth Amendment privilege.

25. Defendant Kupperman declines to answer the allegations set forth in paragraph 25 of the Cross-Claim and Asserts his Fifth

Amendment privilege.

26. Defendant Kupperman declines to answer the allegations set forth in paragraph 26 of the Cross-Claim and Asserts his Fifth Amendment privilege.

27. Defendant Kupperman declines to answer the allegations set forth in paragraph 27 of the Cross-Claim and Asserts his Fifth Amendment privilege.

28. Defendant Kupperman declines to answer the allegations set forth in paragraph 28 of the Cross-Claim and Asserts his Fifth Amendment privilege.

29. Defendant Kupperman declines to answer the allegations set forth in paragraph 29 of the Cross-Claim and Asserts his Fifth Amendment privilege.

30. Defendant Kupperman declines to answer the allegations set forth in paragraph 30 of the Cross-Claim and Asserts his Fifth Amendment privilege.

31. Defendant Kupperman declines to answer the allegations set forth in paragraph 31 of the Cross-Claim and Asserts his Fifth Amendment privilege.

32. Defendant Kupperman declines to answer the allegations set forth in paragraph 32 of the Cross-Claim and Asserts his Fifth Amendment privilege.

33. Defendant Kupperman declines to answer the allegations set forth in paragraph 33 of the Cross-Claim and Asserts his Fifth Amendment privilege.

34. Defendant Kupperman declines to answer the allegations set forth in paragraph 34 of the Cross-Claim and Asserts his Fifth Amendment privilege.

COUNTERCLAIM

35. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

36. Defendant Kupperman declines to answer the allegations set forth in paragraph 36 of the Cross-Claim and Asserts his Fifth Amendment privilege.

37. Defendant Kupperman denies knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 37 of the Cross-Claim.

CROSS-CLAIM

FIRST COUNT

(Breach of Contract against PGB, Brown and Krelman)

38. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

39. Defendant Kupperman declines to answer the allegations set forth in paragraph 39 of the Cross-Claim and asserts his Fifth Amendment privilege.

40. Defendant Kupperman declines to answer the allegations set forth in paragraph 40 of the Cross-Claim and asserts his Fifth Amendment privilege.

41. Defendant Kupperman declines to answer the allegations set forth in paragraph 41 of the Cross-Claim and asserts his Fifth Amendment privilege.

SECOND COUNT
**(Breach of Covenant of Good
Faith and Fair Dealing)**

42. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

43. Defendant Kupperman declines to answer the allegations set forth in paragraph 43 of the Cross-claim and asserts his Fifth Amendment privilege.

44. Defendant Kupperman declines to answer the allegations set forth in paragraph 44 of the Cross-Claim and asserts his Fifth Amendment privilege.

45. Defendant Kupperman declines to answer the allegations set forth in paragraph 45 of the Cross-Claim and asserts his Fifth Amendment privilege.

THIRD COUNT

**(Fraud against PGB, Kupperman, Browne, Krelman,
John Does (1-10) and ABC Corporation (1-10))**

46. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

47. Defendant Kupperman declines to answer the allegations set forth in paragraph 47 of the Cross-Claim and asserts his Fifth Amendment privilege.

48. Defendant Kupperman declines to answer the allegations set forth in paragraph 48 of the Cross-Claim and asserts his Fifth Amendment privilege.

49. Defendant Kupperman declines to answer the allegations set forth in paragraph 49 of the Cross-Claim and asserts his Fifth

Amendment privilege.

50. Defendant Kupperman declines to answer the allegations set forth in paragraph 50 of the Cross-Claim and asserts his Fifth Amendment privilege.

51. Defendant Kupperman declines to answer the allegations set forth in paragraph 51 of the Cross-Claim and asserts his Fifth Amendment privilege.

52. Defendant Kupperman declines to answer the allegations set forth in paragraph 52 of the Cross-Claim and asserts his Fifth Amendment privilege.

FOURTH COUNT
(Foreclosure of Security Interest)

53. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

54. Defendant Kupperman declines to answer the allegations set forth in paragraph 54 of the Cross-Claim and asserts his Fifth Amendment privilege.

55. Defendant Kupperman declines to answer the allegations set forth in paragraph 55 of the Cross-Claim and asserts his Fifth Amendment privilege.

56. Defendant Kupperman declines to answer the allegations set forth in paragraph 56 of the Cross-Claim and asserts his Fifth Amendment privilege.

FIFTH COUNT
(Fraudulent Conveyance)

57. Defendant Kupperman repeats and restates his responses to

the allegations set forth above as if fully set forth herein.

58. Defendant Kupperman declines to answer the allegations set forth in paragraph 58 of the Cross-Claim and asserts his Fifth Amendment privilege.

59. Defendant Kupperman declines to answer the allegations set forth in paragraph 59 of the Cross-Claim and asserts his Fifth Amendment privilege.

60. Defendant Kupperman declines to answer the allegations set forth in paragraph 60 of the Cross-Claim and asserts his Fifth Amendment privilege.

61. Defendant Kupperman declines to answer the allegations set forth in paragraph 61 of the Cross-Claim and asserts his Fifth Amendment privilege.

62. Defendant Kupperman declines to answer the allegations set forth in paragraph 62 of the Cross-Claim and asserts his Fifth Amendment privilege.

63. Defendant Kupperman declines to answer the allegations set forth in paragraph 63 of the Cross-Claim and asserts his Fifth Amendment privilege.

64. Defendant Kupperman declines to answer the allegations set forth in paragraph 64 of the Cross-Claim and asserts his Fifth Amendment privilege.

SIXTH COUNT
(Unjust Enrichment)

65. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

66. Defendant Kupperman declines to answer the allegations set forth in paragraph 66 of the Cross-Claim and asserts his Fifth Amendment privilege.

67. Defendant Kupperman declines to answer the allegations set forth in paragraph 67 of the Cross-Claim and asserts his Fifth Amendment privilege.

68. Defendant Kupperman declines to answer the allegations set forth in paragraph 68 of the Cross-Claim and asserts his Fifth Amendment privilege.

SEVENTH COUNT
(Piercing the Corporate Veil)

69. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

70. Defendant Kupperman declines to answer the allegations set forth in paragraph 70 of the Cross-Claim and asserts his Fifth Amendment privilege.

71. Defendant Kupperman declines to answer the allegations set forth in paragraph 71 of the Cross-Claim and asserts his Fifth Amendment privilege.

72. Defendant Kupperman declines to answer the allegations set forth in paragraph 72 of the Cross-Claim and asserts his Fifth Amendment privilege.

73. Defendant Kupperman declines to answer the allegations set forth in paragraph 73 of the Cross-Claim and asserts his Fifth Amendment privilege.

EIGHTH COUNT
(Preliminary and Permanent Injunctive Relief)

74. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

75. Defendant Kupperman declines to answer the allegations set forth in paragraph 75 of the Cross-Claim and asserts his Fifth Amendment privilege.

76. Defendant Kupperman declines to answer the allegations set forth in paragraph 76 of the Cross-Claim and asserts his Fifth Amendment privilege.

77. Defendant Kupperman declines to answer the allegations set forth in paragraph 77 of the Cross-Claim and asserts his Fifth Amendment privilege.

78. Defendant Kupperman declines to answer the allegations set forth in paragraph 78 of the Cross-Claim and asserts his Fifth Amendment privilege.

NINTH COUNT
(Attachment)

79. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

80. Defendant Kupperman declines to answer the allegations set forth in paragraph 80 of the Cross-Claim and asserts his Fifth Amendment privilege.

81. Defendant Kupperman declines to answer the allegations set forth in paragraph 81 of the Cross-Claim and asserts his Fifth

Amendment privilege.

82. Defendant Kupperman declines to answer the allegations set forth in paragraph 82 of the Cross-Claim and asserts his Fifth Amendment privilege.

83. Defendant Kupperman declines to answer the allegations set forth in paragraph 83 of the Cross-Claim and asserts his Fifth Amendment privilege.

TENTH COUNT
(RICO)

84. Defendant Kupperman repeats and restates his responses to the allegations set forth above as if fully set forth herein.

85. Defendant Kupperman declines to answer the allegations set forth in paragraph 85 of the Cross-Claim and asserts his Fifth Amendment privilege.

86. Defendant Kupperman declines to answer the allegations set forth in paragraph 86 of the Cross-Claim and asserts his Fifth Amendment privilege.

87. Defendant Kupperman declines to answer the allegations set forth in paragraph 87 of the Cross-Claim and asserts his Fifth Amendment privilege.

88. Defendant Kupperman declines to answer the allegations set forth in paragraph 88 of the Cross-Claim and asserts his Fifth Amendment privilege.

89. Defendant Kupperman declines to answer the allegations set forth in paragraph 89 of the Cross-Claim and asserts his Fifth Amendment privilege.

90. Defendant Kupperman declines to answer the allegations set forth in paragraph 90 of the Cross-Claim and asserts his Fifth Amendment privilege.

91. Defendant Kupperman declines to answer the allegations set forth in paragraph 91 of the Cross-Claim and asserts his Fifth Amendment privilege.

92. Defendant Kupperman declines to answer the allegations set forth in paragraph 92 of the Cross-Claim and asserts his Fifth Amendment privilege.

93. Defendant Kupperman declines to answer the allegations set forth in paragraph 93 of the Cross-Claim and asserts his Fifth Amendment privilege.

94. Defendant Kupperman declines to answer the allegations set forth in paragraph 94 of the Cross-Claim and asserts his Fifth Amendment privilege.

95. Defendant Kupperman declines to answer the allegations set forth in paragraph 95 of the Cross-Claim and asserts his Fifth Amendment privilege.

96. Defendant Kupperman declines to answer the allegations set forth in paragraph 96 of the Cross-Claim and asserts his Fifth Amendment privilege.

97. Defendant Kupperman declines to answer the allegations set forth in paragraph 97 of the Cross-Claim and asserts his Fifth Amendment privilege.

WHEREFORE, Defendant Arthur Kupperman demands judgment:

- A. Dismissing the Cross-Claim with prejudice;
- B. For the costs of suit, including attorneys' fees, incurred herein; and
- C. For such other and further relief as the Court deems just and proper.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

Plaintiff has failed to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

Plaintiff is barred from recovery by the doctrine of laches.

THIRD AFFIRMATIVE DEFENSE

This action is barred by the statute of limitations.

FOURTH AFFIRMATIVE DEFENSE

Plaintiff is barred from recovery by the doctrine of equitable estoppel.

FIFTH AFFIRMATIVE DEFENSE

Plaintiff is barred from recovery due to its failure to perform due diligence properly.

SIXTH AFFIRMATIVE DEFENSE

Defendant Kupperman incorporates herein any defenses raised by his co-defendants as may be applicable to him.

DEMAND FOR JURY TRIAL

Defendant Kupperman hereby demands a trial by jury.

BUDD LARNER, P.C.

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